

FOOD BANK OF NORTHEAST LOUISIANA, INC.

*Financial Statements
For the Years Ended December 31, 2009 and 2008*

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Release Date 6/1/11



FOOD BANK OF NORTHEAST LOUISIANA, INC.
FINANCIAL REPORT
FOR THE YEARS ENDED DECEMBER 31, 2009 and 2008

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CAMERON, HINES & HARTT

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INDEPENDENT AUDITORS' REPORT

Board of Directors of
Food Bank of Northeast Louisiana, Inc.

We have audited the accompanying statements of financial position of Food Bank of Northeast Louisiana, Inc., as of December 31, 2009 and 2008, and the related statements of activities, functional expenses and cash flows for the years then ended. These financial statements are the responsibility of Food Bank of Northeast Louisiana, Inc.'s management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Food Bank of Northeast Louisiana Inc., as of December 31, 2009 and 2008, and the changes in its net assets and its cash flows for the years then ended, in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued our report dated May 27, 2010, on our consideration of Food Bank of Northeast Louisiana, Inc.'s internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and important for assessing the results of our audits.

Board of Directors of
Food Bank of Northeast Louisiana, Inc.
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Our audits were conducted for the purpose of forming an opinion on the basic financial statements of Food Bank of Northeast Louisiana, Inc., taken as a whole. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by the U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, and is not a required part of the basic financial statements. Such information has been subjected to the auditing procedures applied in the audits of the basic financial statements and, in our opinion, is fairly stated in all material respects, in relation to the basic financial statements taken as a whole.

Cameron, Hines & Hartt (APAC)

West Monroe, Louisiana
May 27, 2010

FOOD BANK OF NORTHEAST LOUISIANA, INC.
STATEMENTS OF FINANCIAL POSITION

<u>ASSETS</u>	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<i>For the Years Ended December 31.</i>	
			2009	2008
Current Assets:				
Cash and Cash Equivalents	\$ 273,219	\$ -	\$ 273,219	\$ 266,980
Certificates of Deposit	329,614	-	329,614	323,482
Accounts Receivable:				
Agency Receivable	12,245	-	12,245	6,431
USDA Receivable	-	62,444	62,444	18,530
Promises to Give, One Year or Less	-	52,194	52,194	56,666
Total Current Assets	615,078	114,638	729,716	672,089
Promises to Give, Greater than One Year	-	23,515	23,515	27,080
Property and Equipment:				
Office Equipment	44,580	-	44,580	44,580
Warehouse Equipment	60,505	-	60,505	59,528
Vehicles	126,183	-	126,183	71,188
Leasehold Improvements	73,090	-	73,090	73,090
Accumulated Depreciation	(164,868)	-	(164,868)	(133,542)
Net Property and Equipment	139,490	-	139,490	114,844
<u>TOTAL ASSETS</u>	\$ 754,568	\$ 138,153	\$ 892,721	\$ 814,013
<u>LIABILITIES AND NET ASSETS</u>				
Current Liabilities:				
Accounts Payable	\$ 14,018	\$ -	\$ 14,018	\$ 2,759
Payroll Taxes Payable	2,533	-	2,533	2,774
Deferred Grant Revenue	53,294	-	53,294	91,415
Total Current Liabilities	69,845	-	69,845	96,948
Net Assets				
Unrestricted	684,723	-	684,723	614,789
Temporarily Restricted	-	138,153	138,153	102,276
Total Net Assets	684,723	138,153	822,876	717,065
<u>TOTAL LIABILITIES AND NET ASSETS</u>	\$ 754,568	\$ 138,153	\$ 892,721	\$ 814,013

The accompanying notes are an integral part of these financial statements.

FOOD BANK OF NORTHEAST LOUISIANA, INC.
STATEMENTS OF ACTIVITIES

	Unrestricted	Temporarily Restricted	For the Years Ended December 31,	
			2009	2008
Support and Revenue:				
Sales	\$ 128,031	\$ -	\$ 128,031	\$ 149,737
Contributions	269,497	-	269,497	279,311
Contributions - Adopt-a-Senior	-	140,212	140,212	114,328
Contributions - Back Pack Program	-	2,215	2,215	1,427
USDA Reimbursements	-	223,790	223,790	145,883
United Way Funding	-	59,914	59,914	64,277
Grants	61,017	86,350	147,367	82,002
Interest Income	9,514	-	9,514	21,148
Net Assets Released from Restrictions	476,604	(476,604)	-	-
Total Support and Revenue	944,663	35,877	980,540	858,113
Expenses:				
Programs:				
Agency	243,961	-	243,961	232,314
Adopt-a-Senior	261,008	-	261,008	259,762
Backpack	158,522	-	158,522	81,275
Total Programs	663,491	-	663,491	573,351
Administration	211,238	-	211,238	211,974
Total Expenses	874,729	-	874,729	785,325
Changes in Net Assets	69,934	35,877	105,811	72,788
Net Assets at Beginning of Year	614,789	102,276	717,065	644,277
NET ASSETS AT END OF YEAR	\$ 684,723	\$ 138,153	\$ 822,876	\$ 717,065

The accompanying notes are an integral part of these financial statements.

FOOD BANK OF NORTHEAST LOUISIANA, INC.
STATEMENTS OF FUNCTIONAL EXPENSES

	Program Services			Management and General
	Agency Program	Senior Program	Backpack Program	
Advertising	\$ 611	\$ 629	\$ 118	\$ -
Auto and Truck Expense	7,198	4,772	877	186
Bank Charges	-	-	-	1,598
Computer Expense	3,016	1,007	370	472
Contract Labor	3,597	743	213	1,739
Depreciation	18,184	9,492	2,387	1,263
Donor Development	-	-	-	97,914
Dues and Subscriptions	1,069	2,072	1,003	3,272
Education and Training	4,689	2,508	938	1,990
Emergency Boxes	5,908			-
Employee Benefits				-
Exterminating	496	336	8	-
Food Purchases	6,381	34,034	97,024	-
Fundraising Expense	2,662	3,460	1,920	2,503
Grant Expense	1,815	1,815	988	1,785
Hurricane Relief	-	-	-	533
Insurance	13,558	12,887	3,930	7,710
Meals	563	1,839	14	235
Miscellaneous	1,087	920	300	6,178
Office Supplies	6,130	16,911	1,494	1,672
Payroll Taxes	8,017	7,545	3,301	4,043
Postage and Printing	2,130	3,586	380	1,521
Professional Fees	-	-	-	7,000
Rent	39,002	31,202	3,259	6,633
Repairs and Maintenance	164	98	16	49
Salaries	83,809	90,538	37,991	59,739
Telephone	1,931	3,292	366	1,205
Trucking	15,758	12,046	717	1,179
Utilities	6,456	5,165	650	646
Volunteer Appreciation	742	539	67	-
Warehouse Expense	8,988	13,572	191	173
	<u>\$ 243,961</u>	<u>\$ 261,008</u>	<u>\$ 158,522</u>	<u>\$ 211,238</u>

*For the Years Ended
December 31,*

<u>2009</u>	<u>2008</u>
\$ 1,358	\$ 5,538
13,033	14,989
1,598	819
4,865	2,491
6,292	12,917
31,326	27,022
97,914	93,573
7,416	6,841
10,125	5,282
5,908	1,823
-	8,435
840	610
137,439	84,872
10,545	3,038
6,403	5,720
533	6,255
38,085	30,251
2,651	4,297
8,485	12,957
26,207	34,396
22,906	22,236
7,617	8,863
7,000	7,000
80,096	64,846
327	6,230
272,077	245,777
6,794	5,452
29,700	40,619
12,917	11,127
1,348	2,897
22,924	8,152
<u>\$ 874,729</u>	<u>\$ 785,325</u>

The accompanying notes are an integral part of these financial statements.

FOOD BANK OF NORTHEAST LOUISIANA, INC.
STATEMENTS OF CASH FLOWS

	<i>For the Years Ended</i>	
	<i>December 31.</i>	
	<u>2009</u>	<u>2008</u>
Cash Flows from Operating Activities:		
Changes in Net Assets	\$ 105,811	\$ 72,788
Adjustments to Reconcile Changes in Net Assets to Net Cash Used by Operating Activities:		
Depreciation	31,326	27,022
(Increase) Decrease in:		
Accounts Receivable	(49,728)	(10,717)
Promises to Give	8,037	4,584
Increase (Decrease) in:		
Accounts Payable	11,259	(4,686)
Accrued Expenses	(241)	1,525
Deferred Grant Revenue	(38,121)	61,890
<u>Net Cash Provided by Operating Activities</u>	<u>68,343</u>	<u>152,406</u>
Cash Flows from Investing Activities:		
Increase in Certificates of Deposit	(6,132)	(6,833)
Withdrawals from Certificates of Deposit	-	71,457
Purchase of Fixed Assets	(55,972)	(70,709)
<u>Net Cash Used by Investing Activities</u>	<u>(62,104)</u>	<u>(6,085)</u>
<u>Increase in Cash and Cash Equivalents</u>	<u>6,239</u>	<u>146,321</u>
<u>Cash and Cash Equivalents, Beginning of Year</u>	<u>266,980</u>	<u>120,659</u>
<u>CASH AND CASH EQUIVALENTS, END OF YEAR</u>	<u>\$ 273,219</u>	<u>\$ 266,980</u>

The accompanying notes are an integral part of this financial statement.

FOOD BANK OF NORTHEAST LOUISIANA, INC.
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEARS ENDED DECEMBER 31, 2009 and 2008

Note 1 - Nature of Activities and Summary of Significant Accounting Policies

Nature of Activity

Food Bank of Northeast Louisiana, Inc. is a nonprofit organization that is based in Monroe, Louisiana. The Organization's operations consist of coordinating food deliveries to the poor. All income received by the Food Bank is derived from food sales and individual contributions.

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Basis of Accounting

The financial statements of Food Bank of Northeast Louisiana, Inc. have been prepared on the accrual basis and, accordingly, reflect all significant receivables and payables.

Basis of Presentation

FASB Accounting Standards Codification (ASC) section 958-205 *Not-for-Profit Entities, Presentation of Financial Statements* establishes standards for external financial reporting by not-for-profit organizations and requires that resources be classified for accounting and reporting purposes into three net asset categories according to externally (donor) imposed restrictions. ASC section 958-605 *Not-for-Profit Entities, Revenue Recognition* requires that unconditional promises to give (pledges) be recorded as receivables and revenues and requires the organization to distinguish between contributions received for each net asset category in accordance with donor-imposed restrictions.

Unrestricted Net Assets – Net assets that are not subject to donor-imposed stipulations.

Temporarily Restricted Assets – Net assets subject to donor-imposed stipulations that may or will be met either by actions of Food Bank of Northeast Louisiana, Inc. and/or passage of time.

Permanently Restricted Net Assets – Net assets subject to donor-imposed stipulations that they be maintained permanently by Food Bank of Northeast Louisiana, Inc. Generally, the donors of these assets permit Food Bank of Northeast Louisiana, Inc. to use all of, or part of, the income earned on the related investments for general or specific purposes. As of December 31, 2009 and 2008, there were no permanently restricted net assets.

FOOD BANK OF NORTHEAST LOUISIANA, INC.
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEARS ENDED DECEMBER 31, 2009 and 2008

Note 1 - Nature of Activities and Summary of Significant Accounting Policies (continued)

Cash and Cash Equivalents

Food Bank of Northeast Louisiana, Inc. considers all highly liquid investments with an original maturity of three months or less to be cash equivalents.

Grants Receivable

Grants receivable represent amounts that have been expensed for grant purposes and are to be reimbursed in full by the grantor and have been promised over the next twelve months.

Property and Equipment

Property and equipment are carried at cost or, if donated, at the approximate fair value at the date of donation. Depreciation of buildings and equipment is provided over the estimated useful lives of the respective assets using the straight-line method:

	<u>Years</u>
Improvements	7-40
Vehicles	5
Furniture, Fixtures and Equipment	5-7

Public Support and Revenue

Annual contributions are recorded as revenue when received and are generally available for unrestricted use unless specifically restricted by the donor.

Grant income is deferred until the revenue is received. Unreimbursed expenses are recorded as income and as grants receivable when requests for reimbursement are submitted to the grants.

Contributions of donated non-cash assets are recorded at their fair value in the period received. Contributions of donated services that create or enhance non-financial assets or that require specialized skills, are provided by individuals possessing those skills, and would typically need to be purchased if not provided by donation, are recorded at their fair values.

Promises to Give

Contributions are recognized when the donor makes a promise to give to the organization that is, in substance, unconditional. Contributions that are restricted by the donor are reported as increases in unrestricted net assets if the restrictions expire in the fiscal year in which the contributions are recognized. All other donor-restricted contributions are reported as increases in temporarily or permanently restricted net assets depending on the nature of the restrictions. When a restriction expires, temporarily restricted net assets are reclassified to unrestricted net assets.

FOOD BANK OF NORTHEAST LOUISIANA, INC.
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEARS ENDED DECEMBER 31, 2009 and 2008

Note 1 - Nature of Activities and Summary of Significant Accounting Policies (continued)

Functional Allocation of Expenses

The cost of providing the various programs and activities has been summarized on a functional basis in the statement of activities. Accordingly, certain costs have been allocated among the programs and supporting services benefited.

Note 2 - Cash and Cash Equivalents

Cash and certificates of deposit are presented in the financial statements at fair market value based on quoted prices in active markets of the securities on a recurring basis at December 31, 2009 and 2008

Food Bank of Northeast Louisiana, Inc. maintains its cash balances in three local financial institutions. The bank balances of \$288,240 are covered by Federal Deposit Insurance Corporation coverage. Accounts at the financial institution are insured by the Federal Deposit Insurance Corporation up to \$250,000. Total cash on hand at December 31, 2009 and 2008 was \$273,219 and \$266,980, respectively.

Food Bank of Northeast Louisiana, Inc. also has four certificates of deposit. The certificates of deposits had a fair value of \$329,614 and \$323,482 at December 31, 2009 and 2008, respectively and were not considered cash equivalents. All of the certificates of deposit are covered by FDIC insurance.

Note 3 - Income Taxes

Food Bank of Northeast Louisiana, Inc. is a nonprofit corporation exempted from federal income taxes under Section 501(c)(3) of the Internal Revenue Code. Accordingly, no provision for income taxes has been made; however, should the organization engage in activities unrelated to its exempt purpose, taxable income could result. The organization had no material unrelated business income for the years ended December 31, 2009 and 2008. The earliest income tax year that is subject to examination is 2006.

Note 4 - Property and Equipment

A summary of land, buildings, equipment and accumulated depreciation at December 31, 2009 and 2008 is as follows:

	<u>2009</u>	<u>2008</u>
Office Equipment	\$ 44,580	\$ 44,580
Warehouse Equipment	60,505	59,528
Vehicles	126,183	71,188
Leasehold Improvements	73,090	73,090
Accumulated Depreciation	<u>(164,868)</u>	<u>(133,542)</u>
Net Property and Equipment	<u>\$ 139,490</u>	<u>\$ 114,844</u>

Depreciation expense for the years ended December 31, 2009 and 2008 was \$31,326 and \$27,022, respectively.

FOOD BANK OF NORTHEAST LOUISIANA, INC.
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEARS ENDED DECEMBER 31, 2009 and 2008

Note 5 - Temporarily Restricted Net Assets

Temporarily restricted net assets are available for the following purposes or periods:

Periods after December 31,	<u>2009</u>	<u>2008</u>
USDA Reimbursements	\$ 62,444	\$ 18,530
United Way of Northeast Louisiana	<u>75,709</u>	<u>83,746</u>
Total Temporarily Restricted Assets	<u>\$ 138,153</u>	<u>\$ 102,276</u>

Net assets were released from donor restrictions by incurring expenses satisfying the purpose or time restrictions specified by donors as follows:

	<u>2009</u>	<u>2008</u>
Time Restrictions Expired:		
United Way of Northeast Louisiana	\$ 67,951	\$ 60,480
Purpose Restrictions Fulfilled:		
Contributions – Adopt-a-Senior	140,212	122,709
Contributions – Back Pack Program	2,215	1,427
USDA Reimbursements	179,876	135,463
Grants	<u>86,350</u>	<u>31,945</u>
Total Restriction Released	<u>\$ 476,604</u>	<u>\$ 352,024</u>

Contributions that are restricted by the donor are reported as increases in unrestricted net assets if the restrictions expire in the fiscal year in which the contributions are recognized.

Note 6 - Promises to Give

Unconditional promises to give consist of the following:

	<u>2009</u>	<u>2008</u>
United Way of Northeast Louisiana	\$ 76,452	\$ 84,601
Less: Unamortized Discount	<u>(743)</u>	<u>(855)</u>
Net Unconditional Promises to Give	<u>\$ 75,709</u>	<u>\$ 83,746</u>
Amounts Due In:		
Less Than One Year	\$ 52,194	\$ 56,666
Greater Than One Year	<u>23,515</u>	<u>27,080</u>
Total	<u>\$ 75,709</u>	<u>\$ 83,746</u>

Unconditional promises to give due in more than one year are reflected at the present value of estimated future cash flows using a discount rate of 2.52%.

Note 7 - Food Contributions

During 2009, the Food Bank contributed 1,869,040 pounds of food to the community valued at \$1.69 per pound, totaling \$3,158,678. The Food Bank also contributed 2,043,542 pounds of commodities through USDA valued at fair market values established by USDA and totaled \$1,219,028. During 2008, the Food Bank contributed 2,300,567 pounds of food to the community valued at

FOOD BANK OF NORTHEAST LOUISIANA, INC.
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEARS ENDED DECEMBER 31, 2009 and 2008

Note 7 - Food Contributions (continued)

\$1.69 per pound, totaling \$3,887,958. The Food Bank also contributed 1,117,240 pounds of commodities through USDA valued at fair market values established by USDA and totaled \$585,907. This resulted in a net contribution of \$4,240,267 and \$4,324,259, for the years ended December 31, 2009 and 2008, calculated as follows:

	<u>2009</u>	<u>2008</u>
Contribution	\$ 4,377,706	\$ 4,473,866
Less: Food Sales	<u>(137,439)</u>	<u>(149,607)</u>
Net Contribution	<u>\$ 4,240,267</u>	<u>\$ 4,324,259</u>

Note 8 - Commodity Inventory

The Food Bank receives commodities from two primary sources and various unsolicited donations. During 2009 and 2008 approximately 4,262,873 pounds and 4,168,532 pounds of commodities were received, respectively, from the following sources:

	<u>2009</u>	<u>2008</u>
USDA	2,299,208	1,181,274
- Feeding America	465,098	550,055
Other Donations	<u>1,498,567</u>	<u>2,437,203</u>
Total	<u>4,262,873</u>	<u>4,168,532</u>

As of December 31, 2009 and 2008, the Food Bank had approximately 1,154,893 pounds and 1,144,487 pounds of commodities on hand valued at \$1.69 and \$1.69 per pound and the USDA market values, totaling \$1,951,769 and \$1,934,183, respectively.

Note 9 - In-Kind Contributions

In-kind contributions for funds receiving government grants consist of time donated by volunteer workers established by state and federal regulatory agencies providing the grant funds; also, donated food, clothing, medical facilities, advertising and other items valued at estimated fair market value. The volunteer hours and donated food and clothing are not recorded in the financial statements.

Note 10 - Commitments and Contingencies

Economic Dependence

The Organization receives a substantial amount of its support from federal and state government grants and from the United Way. A significant reduction in the level of this support, if this were to occur, may have an effect on the organization's programs and activities.

FOOD BANK OF NORTHEAST LOUISIANA, INC.
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEARS ENDED DECEMBER 31, 2009 and 2008

Note 11 - Subsequent Events

Subsequent events have been evaluated through April 27, 2010, which is the day the financial statements were available to be issued, and it has been determined that no significant events have occurred for disclosure.

CAMERON, HINES & HARTT

(A Professional Accounting Corporation)

Certified Public Accountants

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**REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING
AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF
FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH
GOVERNMENT AUDITING STANDARDS**

Board of Directors
Food Bank of Northeast Louisiana, Inc.

We have audited the financial statements of Food Bank of Northeast Louisiana, Inc. as of and for the years ended December 31, 2009 and 2008, and have issued our report thereon dated May 27, 2010. We conducted our audits in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States

Internal Control Over Financial Reporting

In planning and performing our audit, we considered Food Bank of Northeast Louisiana, Inc.'s internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Food Bank of Northeast Louisiana, Inc.'s internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of Food Bank of Northeast Louisiana, Inc.'s internal control over financial reporting.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect and correct misstatements on a timely basis. A material weakness is a deficiency, or a combination of deficiencies, in internal control such that there is reasonable possibility that a material misstatement of the organization's financial statements will not be prevented, or detected and corrected on a timely basis.

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over financial reporting that might be deficiencies, significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses, as defined above.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether Food Bank of Northeast Louisiana, Inc.'s financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have

Board of Directors
Food Bank of Northeast Louisiana, Inc.
Page 2

a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audits, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

This report is intended solely for the information and use of management, the Federal Audit Clearinghouse, the Board of Directors, and federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.

Cameron, Hines & Houtt (APAC)

West Monroe, Louisiana
May 27, 2010

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REPORT ON COMPLIANCE WITH REQUIREMENTS APPLICABLE TO EACH MAJOR PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE IN ACCORDANCE WITH OMB CIRCULAR A-133

Board of Directors
Food Bank of Northeast Louisiana, Inc.

Compliance

We have audited the compliance of Food Bank of Northeast Louisiana, Inc. with the types of compliance requirements described in the *U. S. Office of Management and Budget (OMB) Circular A-133 Compliance Supplement* that are applicable to each of its major federal programs for the years ended December 31, 2009 and 2008. Food Bank of Northeast Louisiana, Inc.'s major federal programs are identified in the Summary of Auditor's Results section of the accompanying Schedule of Findings and Questioned Costs. Compliance with the requirements of laws, regulations, contracts and grants applicable to each of its major federal programs is the responsibility of Food Bank of Northeast Louisiana, Inc.'s management. Our responsibility is to express an opinion on Food Bank of Northeast Louisiana, Inc.'s compliance based on our audits.

We conducted our audits of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about Food Bank of Northeast Louisiana, Inc.'s compliance with those requirements and performing such other procedures as we consider necessary in the circumstances. We believe that our audits provide a reasonable basis for our opinion. Our audits do not provide a legal determination in Food Bank of Northeast Louisiana, Inc.'s compliance with those requirements.

In our opinion, Food Bank of Northeast Louisiana, Inc. complied, in all material respects, with the requirements referred to above that are applicable to each of its major federal programs for the years ended December 31, 2009 and 2008.

Internal Control Over Compliance

The management of Food Bank of Northeast Louisiana, Inc. is responsible for establishing and maintaining effective internal control over compliance with the requirements of laws, regulations, contracts and grants applicable to federal programs. In planning and performing our audits, we considered Food Bank of Northeast Louisiana, Inc.'s internal control over compliance with the requirements that could have a material effect on a major federal program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance and to test and report on internal control over compliance in accordance with OMB Circular A-133, but not for the purpose of

Board of Directors
Food Bank of Northeast Louisiana, Inc.
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expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the Food Bank of Northeast Louisiana, Inc.'s internal control over compliance.

A deficiency in internal control over compliance exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A material weakness in internal control over is a deficiency, or a combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis.

Our consideration of the internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be deficiencies, significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above.

This report is intended solely for the information and use of management, the Federal Audit Clearinghouse, the Board of Directors, and federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.

Cameron, Hines & Hartl (APAC)

West Monroe, Louisiana
May 27, 2010

FOOD BANK OF NORTHEAST LOUISIANA, INC.
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED DECEMBER 31, 2009

To The Board of Directors
Food Bank of Northeast Louisiana, Inc.
Monroe, Louisiana

We have audited the financial statements of Food Bank of Northeast Louisiana, Inc. as of and for the year ended December 31, 2009, and have issued our report thereon dated May 15, 2010. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our audit of the financial statements as of December 31, 2009, resulted in an unqualified opinion.

SECTION I - Summary of Auditors' Results

A. Report on Internal Control and Compliance Material to the Financial Statements

Internal Control

Material Weakness yes no

Significant Deficiencies not considered to be
Material Weaknesses yes no

Compliance

Compliance Material to Financial Statements yes no

B. Federal Awards

Material Weakness Identified yes no

Significant Deficiencies not considered to be
Material Weaknesses yes no

Type of Opinion on Compliance for Major Programs

Unqualified Qualified

Disclaimer Adverse

Are their findings required to be reported in accordance with Circular A-133, Section .510 (a)? No

C. Identification of Major Programs:

Name of Federal Program (or cluster) USDA – Emergency Food Assistance Program
(Food Commodities)

CFDA Number(s) 10.569

Dollar threshold used to distinguish between Type A and Type B Programs. \$300,000

Is the auditee a “low-risk” auditee, as defined by OMB Circular A-133? No

FOOD BANK OF NORTHEAST LOUISIANA, INC.
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED DECEMBER 31, 2009 (CONTINUED)

Section II - Financial Statement Findings

There were no findings in this section.

Section III - Federal Award Findings and Questioned Costs

There were no findings in this section.

FOOD BANK OF NORTHEAST LOUISIANA, INC.
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED DECEMBER 31, 2009

<u>Federal Grants/Pass Through Grantor/Program Title</u>	<u>CFDA Number</u>	<u>Agency or Pass-Through Number</u>	<u>Expenditures</u>
U.S. Department of Agriculture:			
Pass-through program from State Department of Agriculture and Forestry Food Distribution	10.568	N/A	\$ 179,875
Pass-through program from State Department of Agriculture and Forestry Reimbursement	10.569	N/A	<u>659,247*</u>
 <u>TOTAL</u>			 <u>\$ 839,122</u>

* Denotes Major Federal Assistance program.

See accompanying Notes to Schedule of Expenditures and Federal Awards

FOOD BANK OF NORTHEAST LOUISIANA, INC.
NOTES TO SCHEDULE OF EXPENDITURES
OF FEDERAL AWARDS
FOR THE YEAR ENDED DECEMBER 31, 2009

1. General

The Schedule of Expenditures of Federal Awards presents the activity of all federal award programs of Food Bank of Northeast Louisiana, Inc. The reporting entity is defined in Note 1 to Food Bank of Northeast Louisiana, Inc.'s financial statements. All federal award programs received directly from federal agencies, as well as federal awards passed through other government agencies, is included on the schedule.

2. Basis of Accounting

The Schedule of Expenditures of Federal Awards is presented using the accrual basis of accounting, which is described in Note 1 to Food Bank of Northeast Louisiana, Inc.'s financial statements. The information in this schedule is presented in accordance with the requirements of OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of, the basic financial statements.

3. Food Distribution

- Nonmonetary assistance is reported in the schedule at the fair market value of the commodities received and disbursed. At December 31, 2009, the organization had food commodities totaling \$257,046 in inventory.

FOOD BANK OF NORTHEAST LOUISIANA, INC.
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS
FOR THE YEAR ENDED DECEMBER 31, 2009

Internal Control and Compliance Material to the Financial Statements

This section not applicable.

Internal Control and Compliance Material to Federal Awards

This section not applicable.

Management Letter

No management letter was issued.